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DEPARTMENT FOR SCA/CEN (J. MUDGE)

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TAGS: [ECON](#) [ETRD](#) [PREL](#) [KZ](#)

SUBJECT: KAZAKHSTAN 2006 SPECIAL 301 NOTIFICATION

REF: STATE 66981

¶1. (U) Summary: IPR Committee officials expressed deep gratitude for Kazakhstan's removal from the Special 301 Watchlist, were receptive to U.S. recommendations, and requested U.S. expertise in implementing further reforms. End summary.

¶2. (U) POEC Chief notified Nurgaysha Sakhipova, Deputy Chairman of the Ministry of Justice's IPR Committee, on April 28 that Kazakhstan would not be listed in the 2006 Special 301 Report due to its substantial progress in IPR protection and enforcement in 2005. Sakhipova expressed deep appreciation for the USG's recognition of Kazakhstan's hard work on this issue, noting that Kazakhstan's legislation is already "the strongest in the CIS" and expressing determination to further improve protection and enforcement.

¶3. (U) In a follow-up meeting on May 2, Astana Econoff presented to Sakhipova and IPR Committee staff reftel U.S. recommendations for further improvements in Kazakhstan's intellectual property regime. The group reacted favorably to the suggestions.

¶4. (SBU) On granting customs officials ex officio powers, Sakhipova replied that work is continuing. The solution, she said, cannot be "instant" and requires amending the Administrative Code. U.S. expertise, the Committee officials noted, would be valuable in writing and implementing the necessary legislation.

¶5. (SBU) Amending the Criminal Code to permit confiscation and destruction of manufacturing equipment used to produce pirated material is not necessary, Sakhipova said. The Criminal Procedural Code already contains a general provision for confiscation of equipment used in the commission of a crime. Criminal violations of intellectual property rights, she added, currently result in such confiscations.

¶6. (SBU) In regard to the full implementation of the WIPO digital treaties (WCT and WPPT), the Committee officials asked for U.S. assistance in identifying and closing remaining compliance gaps.

¶7. (SBU) The recommendation on adoption of a regulatory scheme for the production and distribution of optical disc material and equipment seemed to perplex the Committee officials. The general Copyright Law, they said, already protects all works subject to copyright protection irrespective of the media on which they are recorded. The officials asked for further elaboration on the need for - and means of - enacting such a regulatory scheme. Sakhipova added that pirated discs are overwhelmingly brought into

Kazakhstan from Russia and China, not produced domestically.

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